

USDA Foreign Agricultural Service

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Report Highlights:

Enforcement of new biotech labeling requirements, originally scheduled to begin July 2012, has been delayed indefinitely. The National Biosafety Board has approved six events for food, feed, and processing, with several still undergoing reviews. Nonetheless, the local food processing sector is quite concerned about the slow pace of approvals. No genetically engineered crops are yet approved for planting.

Table of Contents

SECTION I: Executive Summary	3
SECTION II: Plant Biotechnology Trade and Production.....	3
SECTION III: Plant Biotechnology Policy	4
SECTION IV: Reference Material.....	6

SECTION I: Executive Summary:

On July 8 2010, the Ministry of Health (MOH) announced regulations requiring strict mandatory labeling for food containing ingredients produced through modern biotechnology. Enforcement of this regulation was supposed to begin on July 2012, but implementation has been postponed, probably for at least another two years. Questions persist regarding how the regulations would be enforced, especially whether and how much of a threshold will be allowed before labeling would be required, whether an exempt list of products will be allowed, and regarding specific language and location of the label.

Malaysia imports around 3 million tons of corn and one-half million tons of soybeans annually for food, feed, or processing. A large percentage of these imports contain genetically modified varieties. According to Malaysia's biosafety law, the National Biosafety Board (NBB) must approve any "living modified organisms" to be released onto the market, including grains for feed or processing. Four corn and two soybean events have been approved, and several are still under review. The local food manufacturing sector is quite concerned about the slow pace of feed and processing approvals. Furthermore, for the events that have been approved, NBB has attached unreasonable conditions on the downstream handling of commodities; conditions which are beyond the control and outside the responsibility of the applicants.

While much research is being done, particularly on oil palm, no genetically engineered crops are approved for planting.

SECTION II: Plant Biotechnology Trade and Production:

Production

No genetically engineered crops or crops developed through recombinant DNA techniques are approved for planting in Malaysia; biotechnology related activities are still at the research and development stage and no plant varieties have been presented for commercialization for local planting. Biotechnology in Malaysia tends to have a broad interpretation, much broader than genetic engineering. For example, crop research using tissue culture and molecular markers, as well as research on bio-pesticides, integrated pest management, and natural fertilizers, are often categorized as "biotechnology" in the same context as genetic engineering.

For the plantation crops, particularly oil palm, private sector research labs are very active in innovative research; whereas, Malaysia's Agricultural Research and Development Institute (MARDI), under the Ministry of Agriculture, spearheads research efforts on the important food crops, such as rice, vegetables and fruits. MARDI is working on cloning rice varieties, manipulating papaya to be resistant to Ring Spot Virus, altering pomelos' skin color, and developing resistance to mosaic virus in passion fruit. However, the oil palm is the focus of the majority of research devoted to improving yields and productivity. The Palm oil Board and private companies are experimenting with genetic engineering techniques for palm oil high in carotenoids (carotene & lycopene) and tocotrienols (vitamin E). In

addition, a consortium of public and private sector entities successfully mapped the oil palm genome. However, none of the biotechnology research involving the Malaysian oil palm sector has progressed much beyond the experimental stage.

The Biotechnology Corporation (BiotechCorp) is the lead agency for facilitating public and private sector partnerships in the biotechnology industry. However, most of its focus has been on the healthcare sector, with the ag biotechnology sector of lagging behind.

Trade

Malaysia imports about 3 million tons of corn and 500,000 tons of soybeans annually. A large portion of this is genetically engineered grain. Malaysia also imports about 70,000 tons of identity preserved (IP) soybeans and about 25,000 tons of IP corn annually. The IP corn and soybeans go directly to processing for human consumption. No genetically modified seed for planting is approved for import or for confined trials.

SECTION III: Plant Biotechnology Policy:

Malaysia's biosafety law requires that the National Biosafety Board (NBB) evaluate and approve "living modified organisms" before release onto the market for food, feed, or processing. This would apply to any GMOs that may be found in the 3.5 million tons of corn and soybeans Malaysia imports annually. A Genetic Modification Advisory Committee (GMAC) provides expert advice to NBB on applications. The NBB is supposed complete applications within 180 days.

Information on the approval requirements and process is available at:

http://www.biosafety.nre.gov.my/regulatory_process/approval.shtml

The list of approve GM events for food, feed, and processing is available at:

http://www.biosafety.nre.gov.my/country_decision/app_ffp.shtml

Pending applications include: 1) CZea Mays L TC1507 Corn; 2) Zea Mays L T25ACS-ZM003-2 Corn; Glycine Max MON89788 Soybean; 3) Glycine Max (L) Merr. A2704-12 Soybean; and 4) Zea Mays l. SPP Mays SYN-BT011-1 Corn

For some of the events approved, NBB has attached unreasonable conditions and requirements. For example, NBB asks the applicants to be responsible for monitoring and "clean-up" of any grain spillage during transport for port to processing facility.

On July 8 2010, the Ministry of Health (Ministry of Health) announced regulations requiring strict mandatory labeling for food containing ingredients produced through modern biotechnology. The new labeling requirement would have required all food items containing LMOs and ingredients from LMOs to be labeled as such and to declare the origin of the modified gene. The rationale for the origin requirement is to ensure imported products also comply with Halal standards. Enforcement of the

labeling regulation was supposed to begin in July 2012, but implementation was postponed, probably for at least another two years. Questions persist regarding how the regulations would be enforced, especially whether and how much of a threshold will be allowed before labeling would be required, whether an exempt list of products will be allowed, and regarding specific language and location of the label.

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